



CITY OF LONG BEACH

OFFICE OF THE CITY MANAGER

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802 • (562) 570-6711 • FAX (562) 570-6583

PATRICK H. WEST
CITY MANAGER

April 24, 2013

Ms. Mary Nichols
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: City of Long Beach Comments – Cap and Trade Investment Plan

Dear Chairman Nichols:

On behalf of the City of Long Beach, I write in support of the progress that has been made by the California Air Resources Board (CARB) to implement the State's Cap and Trade Program. Long Beach supports the three investment priorities described in this draft plan, but urges the Board to consider one additional greenhouse gas reduction strategy within these three priorities. The City is requesting waste-to-energy be included as a potential area for investment in the Energy Efficiency and Clean Energy portion of this investment plan. Long Beach is interested in future discussions with CalRecycle on how these facilities can play a role in increasing diversion from landfills.

Sustainable Communities and Clean Transportation appears to be the focus for investing cap and trade revenues. Long Beach supports this as an appropriate area for investment. The City has worked closely with other local governments in the region through the Gateway Council of Governments (Gateway COG) and SCAG to develop a Sustainable Communities Strategy (SCS) per SB 375 to identify areas for greenhouse gas reduction in the region. This plan is region specific, and the City supports the implementation strategy that has been identified.

Long Beach also supports the proposal to invest in zero-emissions freight movement technology. In particular, zero-emission projects are of significant interest to Long Beach given the volume of goods movement originating from the Ports of Long Beach and Los Angeles. As documented by the CalEnviroScreen, communities along the I-710 freeway are disproportionately impacted by greenhouse gas emissions. Cap and trade investment into zero-emission infrastructure along this major goods movement corridor is important to Long Beach.

The Draft Cap and Trade Investment Plan identifies Energy Efficiency and Clean Energy as a second investment priority. Though the City of Long Beach agrees clean energy, and energy efficiency programs will reduce greenhouse gas emissions, Long Beach urges CARB to consider including waste-to-energy in this section of the

investment plan. The State Department of Resources Recycling and Recovery (CalRecycle) recently published a report that shows California's three existing waste-to-energy facilities help reduce greenhouse gas emissions. Published July 3, 2012, *CalRecycle Review of Waste-to-Energy and Avoided Landfill Methane Emissions*, concludes, "The three existing California WtE facilities provide net avoided methane emissions over waste otherwise disposed in a California landfill." The City is also encouraged to see the inclusion of energy efficiency retrofits in the Draft Investment Plan. On this issue, Long Beach requests that local government buildings be included in the list of eligible projects.

The City is particularly interested in the implementation of the final investment priority, which is described as Natural Resources and Waste Diversion. Long Beach is encouraged that this investment area will provide competitive grants to local agencies to expand and improve waste diversion and recycling. The City is committed to strategically implementing these goals, and is interested in future discussions with CalRecycle and the California Energy Commission regarding valuable greenhouse gas and clean energy benefits that may be achieved through emerging technologies.

The Draft Investment Plan notes that it does not include dedicated funding levels for each investment priority area due the uncertainty of funds available each year, as cap and trade auctions occur quarterly. However, the Draft Investment Plan also does not set forth a percentage of funding for each investment priority categories. Long Beach strongly prefers that funding continue to focus on Sustainable Communities and Clean Transportation, as this is the area that the City believes will have the most impact on reducing greenhouse gas emissions.

Thank you for the opportunity to comment. Should you have questions, please contact Tom Modica, Director of Government Affairs and Strategic Initiatives at 562-570-5091 or Tom.Modica@longbeach.gov.

Sincerely,



Patrick H. West
CITY MANAGER

cc: The Honorable Ricardo Lara, State Senate, 33rd District
The Honorable Lou Correa, State Senate, 34th District
The Honorable Rod Wright, State Senate 35th District
The Honorable Ted Lieu, State Senate, 28th District
The Honorable Anthony Rendon, State Assembly, 63rd District
The Honorable Isadore Hall III, State Assembly, 64nd District
The Honorable Bonnie Lowenthal, State Assembly, 70th District